D.

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING 1594 West North Temple - Suite 1210 Box 145801

Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

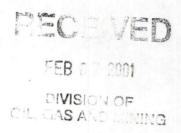
| I. | General Information |
|-----|---|
| 1. | Report Time Period: From (mo./yr.)01/2000 To (mo./yr.)12/2000 |
| 2. | DOGM File Number (Mine No): M/045/012 |
| 3. | Mine Name: Poverty Point Quarry |
| 4. | Mineral(s) Mined (or permitted to mine): Limestone |
| 5. | Type of mine XX Surface Mine or Underground Mine |
| 6. | Legal Description (Location of Lands Affected): |
| | 1/4,1/4,1/4, Section <u>16</u> , Township <u>1N</u> , Range <u>8W</u> |
| | |
| | |
| 7. | Name of Operator or Company: Holnam |
| 8. | Permanent Street Address: Aux. Rt. #3 |
| | City State, Zip: Morgan UT 84050 |
| | Phone: 801 829 6821 Fax: 801 829 2100 |
| 9. | Company Representative (or designated operator): Name: Chester Goodson |
| | Name: Chester Goodson |
| | Title: Plant Manager Business Address: Aux. Rt. #3 |
| | Business Address: Aux. Rt. #3 City, State, Zip: Morgan UT 84050 |
| | Business Address: Aux. Rt. #3 City, State, Zip: Morgan UT 84050 Phone: 801 829 6821 Fax: 801 829 2100 DIVISION OF GAS AND MINING |
| | X Please check if any of the above information has changed since previous year. |
| II. | Mining and Reclamation |
| | 1. Was there any mine related activity during the past year? Yes XX No |
| | 2. If no - what was the last year of activity? |
| | 3. If yes - how much ore or mineral was mined? No minerals were mined, exploration only. |

| 4. | Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year. Roads to core drill sites were constructed and four core holes were drilled. Core was sampled and holes were filled and grouted. |
|---------------------|---|
| 5. | How much additional acreage was disturbed during the past year? |
| 6. | How much acreage was reclaimed during the past year? 0 Acres |
| 7. | Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results. None |
| 8. | What is the total disturbed acreage of entire project at year's end? 8.0 Acres |
| 9. | Briefly summarize any mining and/or reclamation plans for the upcoming year. No reclamation is planned for 2001. |
| | |
| | |
| NOT | E: Section III., "Additional Information" applies only to large mining operations. |
| III. <u>Ad</u> | dditional Information |
| 1. An since | updated surface facilities map should be attached if there have been significant changes the previous map was submitted. |
| 2. An | ny monitoring results or other reports that are required under the terms of the approved e of intention should also be attached. |
| <i>IV.</i> <u>S</u> | ignature Requirement |
| I her | eby certify that the foregoing is true and correct. |
| Name | e (Typed or Print): Chester Goodson |
| Title | of Operator: Flant Manager |
| Signa | iture of Operator: (heth Youku |
| Date: | February 5, 2001 |
| jb a:\forr | ns\MR-AR |

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February 5, 2001

D. Wayne Hedburg, Permit Supervisor Department of Natural Resources Division of Oil, Gas and Mining PO Box 145801 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114-5801



Dear Mr. Hedburg:

Please find attached the annual reports for the Devil's Slide Quarry (M290001) and Poverty Point Quarry (M450012) for the year 2000.

The reclamation permit for Devil's Slide is currently under revision as you are aware and the total permit will be revised during the year 2001. The activity at Poverty Point reflects some additional exploration only. No mining is planned there for the year 2001.

If you desire any further information, please contact us at the Devil's Slide Plant.

Sincerely

Chester Goodson Plant Manager

CG/ksg

CC: Roy Stienmier, Ken George